

**SECOND AMENDMENT TO AGREEMENT BETWEEN THE COUNTY OF SAN
MATEO AND TELECARE CORPORATION**

THIS AMENDMENT TO THE AGREEMENT, entered into this _____ day of _____, 20_____, by and between the COUNTY OF SAN MATEO, hereinafter called "County," and _____, hereinafter called "Contractor";

W I T N E S S E T H:

WHEREAS, pursuant to Government Code, Section 31000, County may contract with independent contractors for the furnishing of such services to or for County or any Department thereof;

WHEREAS, the parties entered into an Agreement for professional services on December 13, 2005, and

WHEREAS, the Director of Health executed an Amendment to the Agreement on June 21, 2006, and

WHEREAS, the parties wish to execute a Second Amendment to the Agreement to increase the agreement maximum by \$130,901 for additional operating expenses, building improvements, and evaporative coolers, to a new maximum of \$13,709,686:

NOW, THEREFORE, IT IS HEREBY AGREED BY THE PARTIES HERETO AS FOLLOWS:

1. Paragraph **3. Payments** is hereby deleted and replace with the following:
In consideration of the services provided by Contractor in accordance with all terms, conditions and specifications set forth herein and in Exhibit "A," County shall make payment to Contractor based on the rates and in the manner specified in Exhibit "B." The County reserves the right to withhold payment if the County determines that the quantity or quality of the work performed is unacceptable. In no event shall the County's total fiscal obligation under this Agreement exceed THIRTEEN MILLION SEVEN HUNDRED NINE THOUSAND SIX HUNDRED EIGHTY-SIX DOLLARS (\$13,709,686).
2. Paragraph **14. Non-Discrimination** is hereby deleted and replace with the following:
14. Non-Discrimination and Other Requirements
 - A. *Section 504 applies only to Contractors who are providing services to members of the public.* Contractor shall comply with § 504 of the Rehabilitation Act of 1973, which provides that no otherwise qualified handicapped individual shall, solely by reason of a disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination in the performance of this Agreement.

- B. *General non-discrimination.* No person shall, on the grounds of race, color, religion, ancestry, gender, age (over 40), national origin, medical condition (cancer), physical or mental disability, sexual orientation, pregnancy, childbirth or related medical condition, marital status, or political affiliation be denied any benefits or subject to discrimination under this Agreement.
- C. *Equal employment opportunity.* Contractor shall ensure equal employment opportunity based on objective standards of recruitment, classification, selection, promotion, compensation, performance evaluation, and management relations for all employees under this Agreement. Contractor's equal employment policies shall be made available to County of San Mateo upon request.
- D. *Violation of Non-discrimination provisions.* Violation of the non-discrimination provisions of this Agreement shall be considered a breach of this Agreement and subject the Contractor to penalties, to be determined by the County Manager, including but not limited to
- i) termination of this Agreement;
 - ii) disqualification of the Contractor from bidding on or being awarded a County contract for a period of up to 3 years;
 - iii) liquidated damages of \$2,500 per violation;
 - iv) imposition of other appropriate contractual and civil remedies and sanctions, as determined by the County Manager.

To effectuate the provisions of this section, the County Manager shall have the authority to examine Contractor's employment records with respect to compliance with this paragraph and/or to set off all or any portion of the amount described in this paragraph against amounts due to Contractor under the Contract or any other Contract between Contractor and County.

Contractor shall report to the County Manager the filing by any person in any court of any complaint of discrimination or the filing by any person of any and all charges with the Equal Employment Opportunity Commission, the Fair Employment and Housing Commission or any other entity charged with the investigation of allegations within 30 days of such filing, provided that within such 30 days such entity has not notified Contractor that such charges are dismissed or otherwise unfounded. Such notification shall include the name of the complainant, a copy of such complaint, and a description of the circumstance. Contractor shall provide County with a copy of their response to the Complaint when filed.

- E. *Compliance with Equal Benefits Ordinance.* With respect to the provision of employee benefits, Contractor shall comply with the County Ordinance which prohibits contractors from discriminating in the provision of employee benefits between an employee with a domestic partner and an employee with a spouse.

- F. The Contractor shall comply fully with the non-discrimination requirements required by 41 CFR 60-741.5(a), which is incorporated herein as if fully set forth.
 - G. *Compliance with Contractor Employee Jury Service Ordinance.* Contractor shall comply with the County Ordinance with respect to provision of jury duty pay to employees and have and adhere to a written policy that provides that its employees shall receive from the contractor, on an annual basis, no less than five days of regular pay for actual jury service in San Mateo County. The policy may provide that employees deposit any fees received for such jury service with the contractor or that the contractor deduct from the employees regular pay the fees received for jury service.
3. The original Exhibit A is hereby deleted and replaced with the Exhibit A attached hereto.
 4. The original Exhibit B is hereby deleted and replaced with the Exhibit B attached hereto.
 5. The original Exhibit D is hereby deleted and replaced with the Exhibit D attached hereto.
 6. All other terms and conditions of the amended Agreement dated June 21, 2006, between the County and Contractor shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto, by their duly authorized representatives, have affixed their hands.

COUNTY OF SAN MATEO

By: _____
 Rose Jacobs Gibson, President
 Board of Supervisors

Date: _____

Telecare Corporation


 Contractor

Date: 6/12/07

TELECARE CORPORATION: 2005 – 2007
Exhibit "A"

In consideration of the payments set forth in Exhibit "B", Contractor shall provide the following services:

- I. Care for Patients in the State/Local Program for Regional Civil Detention of Persistently Non-Adherent Tuberculosis Patients (July 1, 2005 – June 30, 2007)
 - A. Provision of these services shall be subject to program terms and conditions as established by California Department of Health Services, Tuberculosis Control Branch. It is the intention of both parties to amend this agreement as necessary to maintain compliance with these same terms and conditions.
 - B. Contractor is a provider/partner with San Mateo County Public Health and Environmental Protection Division (County) in providing a secure locked facility at Cordilleras Center for certain patients requiring special housing and treatment for tuberculosis in California.
 - C. Contractor will maintain one bed for 365 days for patient(s) referred by a California Local Health Justification (LHJ) in the program of Regional Civil Detention of Persistently Non-Adherent Tuberculosis Patients.
 - D. Contractor will provide additional beds for participants on a space available basis.
 - E. Contractor will accept patients and provide services based on the current protocols, policies and procedures issued by the state Tuberculosis Control Branch (TBCB).
 - F. Contractor will work with each LHJ to assure the appropriateness of each patient placed at Cordilleras Center.
 - G. Contractor will inform the County Tuberculosis Control Officer (650-573-2346) on or before the first day of confinement of each patient to be placed.
 - H. Contractor will inform the County Tuberculosis Control Officer (650-573-2346) on the day of discharge of each patient.
 - I. County shall give 30-days notice to Contractor prior to the cancellation of the Regional Civil Detention of Persistently Non-Adherent Tuberculosis Patients Program.

II. Mental Health Services

In full consideration of the payments herein provided for (in Exhibit B, Paragraph III.), Contractor shall provide the services described below in a manner consistent with the terms and provisions of this Agreement, and in accordance with the Mental Health Services Documentation Manual, which is incorporated into this Agreement by reference herein.

A. Uniform Program Requirements - All Mental Health Services

1. Minimum Staffing Requirements

Contractor shall have on file job descriptions (including minimum qualifications for employment and duties performed) for all personnel whose salaries, wages, and benefits are reimbursable in whole or in part under this Agreement. Contractor agrees to submit any material changes in such duties or minimum qualifications to County prior to implementing such changes or employing persons who do not meet the minimum qualifications currently on file. Contractor service personnel shall be direct employees, contractors, volunteers, or training status persons.

2. Organizational Chart

Contractor shall have a current organization plan on file that reflects Contractor's current operating structure. As changes in the organization's operating structure are made, updated organization changes shall be forwarded to the office of County's Mental Health Services Director.

3. Psychiatric Treatment Record Requirements

- a. Record Requirements for Mental Health Rehabilitation Center (MHRC)

Medical, psychiatric, and activity records pertaining to MHRC treatment services provided to San Mateo County clients under this Agreement shall be kept according to Title 9, Article 22, Chapter 3.5 (MHRC), Sections 784.28 of the California Code of Regulations. These records shall include evaluation studies as required by the Director of the Division. All such records shall be confidential according to applicable state and federal laws. Documentation shall be maintained in compliance with the Mental Health Services Documentation Manual.

b. Management of Medical Records

All medical records pertaining to psychiatric treatment services provided to San Mateo County clients under this Agreement shall be maintained by, or under the direction of, an accredited medical records technician and in such manner as to meet all licensing, certification, and accreditation requirements and standards.

4. Community Liaison

Contractor shall maintain relationships with the immediate neighborhood and the San Mateo County Mental Health Board, as well as with appropriate Mental Health Services staff and with various other committees as deemed appropriate by the Director of Health.

County shall have reasonable access to the facility at any time and to such data as will allow for the meaningful evaluation and monitoring of quality of care.

5. Discharge Criteria, Planning, and Placement

a. Discharge planning shall be the responsibility of Contractor in consultation with designated San Mateo County Mental Health Services staff. Discharge planning shall begin upon client admission.

b. Discharge planning shall include evaluation of level of care needed for placement, referral to appropriate setting, pre-discharge coordination of appropriate community-based services, including benefits and outpatient mental health services.

- c. Discharge plans shall be in writing and shall be included as part of the client's record.
- d. For voluntary clients, Contractor shall be responsible for applications for financial aid as necessary, Medi-Cal processing, General Assistance, filing of change of address, transportation to and from volunteer work, transportation to vocational rehabilitation and notification of responsible parties.
- e. Contractor shall provide monthly reports to the Deputy Director of Mental Health Services or her designee that will detail admissions and discharges to the community. County designated staff shall collaborate with Admission Coordinator in pre-discharge planning and shall share responsibility with Clinical Director and Admissions Coordinator for coordinating appropriate community support resources.
- f. The Clinical Director and Admissions Coordinator shall be actively involved in Mental Health Services Division meetings and activities that involve community housing resources, treatment, and rehabilitation and recovery services. The Clinical Director and Admissions Coordinator shall cooperate fully with the County Resource Management Team, to include, but not be limited to, participation in discharge planning meetings twice per month. Minutes of those meetings shall be taken by Contractor and provided to meeting participants and to the Deputy Director of Mental Health Services.
- g. The Clinical Director and Admission Coordinator shall participate in weekly administrative day meetings on unit 3AB at the San Mateo Medical Center. Admission Coordinator shall interview prospective clients and shall be pro-active in obtaining prospective client information in a timely manner. Admission Coordinator as needed will visit other acute inpatient facilities in San Mateo County to interview prospective clients and to obtain relevant client information.

6. Court Testimony

It is recognized that a certain number of clients at Cordilleras will require evaluations for legal purposes and that, in some instances, court testimony will be required for clients who are San Mateo County residents. Both parties acknowledge that there may be times when clinical staff may be required to testify for such clients when determined by County Counsel; if and when it may occur, they shall do what is required without additional reimbursement for such evaluations or court testimony, including adequate preparation and consultation with County Counsel and testimony in court. Court appearances will be limited to San Mateo County.

7. Reporting

Contractor shall report state-required client services data to the Mental Health Services Division's Management Information System (MIS) Unit at monthly intervals. The data shall be incorporated into a year-end report, which shall include such information as the Director of Mental Health Services requires to permit reporting, monitoring, and evaluation of Contractor's performance pursuant to this Agreement.

8. Quality Improvement

Contractor shall submit and implement a Quality Improvement plan as required by and subject to approval of the San Mateo County Mental Health Quality Improvement Manager. The plan shall include a description of utilization review, medication monitoring, case documentation, peer review, and other issues pertaining to quality improvement mandates and policies.

B. Cordilleras Mental Health Center

For the term of this Agreement as herein specified, Contractor shall operate a Mental Health Rehabilitation Center (MHRC) at the Cordilleras Mental Health Center facility at 200 Edmonds Road in Redwood City, California. This facility is licensed at a capacity of sixty-eight (68) beds. Of these, sixty-one (61) beds are dedicated exclusively for residents of San Mateo County. Contractor may, at County's discretion, market the excess beds to other entities requiring these services. In addition contractor shall provide forty-nine (49) residential care beds. The total bed capacity for San Mateo County clients shall be one hundred ten (110) beds.

1. MHRC Capacity

- a. Contractor shall provide a dedicated capacity of sixty-one (61) beds for mentally disordered clients who are eighteen (18) years of age and older; who suffer moderate to severe mental impairment or lack of ability to function; and who require a locked setting, including such eligible clients of the Mental Health Services Division, hereinafter referred to as "Division," of the San Mateo County Department of Health, hereinafter referred to as "Department," as may be referred to Cordilleras Center by Division staff, duly authorized by the Director of Mental Health Services.
- b. Contractor and County shall work jointly to maximize admissions to available beds. County shall be guaranteed first (1st) option for psychiatric services on any open bed. Dedicated beds will be held open awaiting a County placement unless County agrees to Contractor seeking a non-County resident to fill the open bed.

2. Adult Residential Facility Capacity

Contractor shall operate a residential care programs for clients who can be served in an unlocked setting called Edgewood Suites ("Suites"), licensed for a combined capacity of forty-nine (49) residential beds. The Suites includes Willow Suites, a twenty (20) bed unit.

3. Resident Eligibility/Limitations of Service

- a. Clients for the Suites must be between eighteen (18) years of age and sixty (60) years of age.
- b. Residents of the MHRC must be at least eighteen (18) years of age. Clients sixty-five (65) years of age or older may be placed by mutual consent of Contractor and County.
- c. Clients who have co-occurring illnesses that include substance abuse, organic brain syndrome, mild mental retardation, or developmental disabilities will not be excluded from admission provided they meet other admission criteria. Clients whose degree of organicity, dementia, mental retardation, or developmental disabilities impairs their ability to function in the Cordilleras setting will be reviewed by the Cordilleras Review Committee prior to admission.

- d. Clients with medical problems or conditions which require medical attention beyond that available through outpatient care shall be admitted upon mutual consent of Contractor Administrator, the Mental Health Services Deputy Director for Adult Services, and the Mental Health Services Medical Director.
- e. Clients who are potentially dangerous to themselves or others will be closely screened to determine if they can be managed and treated adequately in the program. The decision to admit such clients will be based on clinical assessment, current staffing, census, and the capacity to tolerate abnormally disruptive behavior within the facility at the time of referral.
- f. By virtue of its license as an MHRC (#02 68 015), Cordilleras Mental Health Center will serve criminal justice system clients on an exception basis while adhering to Mental Health Services Division Policy No. 92-2 upon mutual consent of Contractor Administrator, the Mental Health Services Deputy Director for Adult Services, and the Mental Health Services Medical Director.
- g. Clients may be admitted on a voluntary basis or on a temporary or full LPS conservatorship.
- h. Clients under a hold in accordance with W&I code 5150 or 5250 will not be admitted.
- i. All admissions shall be subject to screening procedures and standards mutually agreeable to Contractor and County. Such procedures and standards shall be developed to insure the admission of all persons able to benefit from the services provided. Such standards and procedures shall exclude the admission of persons whose disabilities or degree of disabilities would be inappropriate to the level of service intended to be provided by Contractor.

4. Services to be Provided

For the term of this Agreement, psychiatric treatment services provided by Contractor shall include the following services to eligible clients as defined in Exhibit A, Paragraph II.B.3., Resident Eligibility:

a. MHRC Services

Contractor shall provide a rehabilitation and recovery program aimed at improving the adaptive functioning of persons with mental disabilities to enable client to move to a less restrictive environment while preventing regression to a lower level of functioning.

Services shall include, but are not limited to, the following services. These services shall be provided in a manner consistent with the terms and provisions of this Agreement and subject to procedures and standards mutually agreed upon by Contractor and County. Transportation support shall be provided for groups that take place away from Cordilleras.

1) Wellness Management and Recovery

Contractor shall assist clients to develop strategies for managing mental illness and progressing in recovery. Staff shall provide information strategies and skills to be used by clients to further their own recoveries. Emphasis shall be on setting and pursuing personal goals, and on utilizing recovery strategies. The following groups shall be provided:

- a) Daily Community Meeting
- b) Self-Help Group
- c) Exercise and Walk Group
- d) Women's Group
- e) Men's Group
- f) Healing Hour
- g) Client Council
- h) Movement
- i) Creative Writing
- j) Story Telling (Drama Therapy)

2) Skill Building (Cognitive Behavioral Emphasis)

Staff shall assist clients in the development of skills needed to succeed in living in the community. The focus of these activities shall be to increase clients' understanding of their cognitive and emotional processes and how these affect their behavior. The following groups shall be provided:

- a) Grooming
- b) Banking
- c) Stress Reduction
- d) Independent Living Skills
- e) Social Skills
- f) Making Changes (Anger Management)
- g) Community and Friendship Center Outings
- h) Medication/Symptom Management Group

3) Dual Recovery Groups

Contractor shall offer the following groups for clients needing services to address mental illness and substance abuse issues.

- a) Relapse Prevention
- b) Narcotics Anonymous meetings and Redwood Center and at Cordilleras
- c) Check-In
- d) Dual Recovery
- e) Creativity in Recovery
- f) Alcoholics Anonymous meetings in San Carlos, Redwood Center and at Cordilleras

4) Health Education

Contractor shall provide the following Health Education groups:

- a) Women's Health Group
- b) Tai Chi
- c) Acupuncture
- d) Health Education

5) Family education groups monthly and family meetings as clinically indicated.

6) Occupational therapy/arts and crafts groups.

- 7) Indoor and outdoor sports activities.
- 8) Active discharge planning.
- 9) Transportation and support to clients to attend community reintegration activities.

b. MHRC Client Services

Contractor shall provide treatment services in accordance with all applicable federal, state, county, and municipal laws and ordinances and regulations, including Title 9 of the California Administrative Code, applicable sections of the California Welfare and Institutions Code, including, but not limited to, Workers' Compensation requirements and standards for participating in the State and County program.

- 1) Services shall include, but are not limited to the following:

- a) room and dietetic service;
- b) nursing services (including medication administration and resident care);
- c) housekeeping;
- d) laundry;
- e) Medical Records Management;
- f) medication order processing; and
- g) emergency medical and ancillary service provisions.

- 2) Program Monitoring

The State of California and County and their appropriate agencies have the right to inspect or otherwise evaluate the quality, appropriateness, and timeliness of services performed and to audit and inspect any books and records of Contractor with respect to services performed of services capacity specified under this Agreement.

c. MHRC Dual Diagnosis Program

Contractor shall provide dual diagnosis treatment services for clients who have a co-existing mental illness and substance abuse diagnosis.

- 1) The program is designed to serve clients who require a sub-acute treatment program structure and have been identified as being dually diagnosed and likely to benefit from this program.
- 2) Clients may be referred from the general MHRC population. Admissions can be referred directly from the community, upon mutual agreement of Contractor and County.

d. MHRC Medical Director

Contractor shall provide a licensed, qualified psychiatrist for the position of Program Medical Director for Cordilleras Treatment Center. The responsibilities of the Program Medical Director will include:

- 1) Management Leadership Participation
 - a) Function as an integral member of the management staff.
 - b) Participate in executive staff meetings, as appropriate.
 - c) Participate in discussions about day-to-day operating issues, as appropriate.
 - d) Participate in clinical policy development and review, taking a leadership role in psychiatric and medical areas.
 - e) Participate in Quality Management activities, including providing leadership for Utilization Review processes.
 - f) Enhance the effectiveness of the program in meeting its purpose statement and meeting its objective indicators of success.
 - g) Involvement in reviews and surveys by oversight agencies and Telecare Corporation, as well as the development of the resulting plan of correction.
- 2) Administrative Supervision of Physician Staff

The Medical Director will provide assistance to the Program Administrator, who will provide administrative oversight of physicians, in the areas of:

- a) Contracts, rates, and billing issues, and other areas related to reimbursement: and
 - b) Hours worked availability, and timely responsiveness to calls from program staff.
- 3) Clinical Supervision of Physician Staff
- a) Provide clinical supervision of psychiatrists, including medical practice, peer review of psychopharmacologic and clinical interventions for clinical and cost effectiveness.
 - b) Provide coordination and general clinical oversight of non-psychiatric physicians, such as internists, podiatrists, pharmaceutical services, and other clinical services as needed.
 - c) Promptly investigate complaints or concerns regarding physician services, and take appropriate action(s).
 - d) Participate in interdisciplinary meetings or other processes that review administrative and clinical issues. Foster communication among the clinical disciplines and management staff, coordinating efforts to resolve conflicts if they occur.
 - e) Develop and maintain program standards of psychiatric care in collaboration with psychiatric staff, incorporating corporate psychiatric standards. This includes monitoring the quality of physicians' documentation in the medical record.
 - f) Ensure adequate psychiatric coverage by providing leadership in recruitment, hiring and orienting new psychiatrists. Provide psychiatric services for select facility clients as directed by program administrator or when adequate coverage by staff psychiatrists is not available. Provide court testimony in the absence of the designated psychiatrist or psychologist

- g) Demonstrate physician staff leadership, modeling values such as learning, valuing change, professional, ethical and responsible behaviors, and respect for clients including promoting client recovery.
- h) Represent program and act as liaison in contacts with other agencies, specifically, San Mateo County Mental Health, San Mateo County Mental Health Medical Director, San Mateo Medical Center Inpatient Director, families and other care providers, as needed.
- i) Confer with San Mateo County Mental Health Medical Director with regard to general policy and medical direction. Have knowledge of relevant regulatory and statutory guidelines, ensuring physician policies, procedures and practice are in compliance with these standards.
- j) Notify Corporate Medical Director when he/she:
 - i. perceives there are serious clinical problems that he/she, in consultation with the program Administrator, has been unable to rectify at a local program level; and
 - ii. identifies psychiatric/medical problems that require corporate-wide intervention.

4) Consultation

- a) Provide consultation as needed to staff on psychiatric, general medical and medical-legal issues.
- b) Provide consultation as needed to psychiatrists, other physicians, teams, staff, program management, case conference attendees, and other care providers in the system of care.
- c) Provide staff training as identified by management and the QI process. Training shall include Cognitive Behavioral Treatment modalities.
- d) Provide case consultation for specific Behavioral Treatment plans.

- 5) Contractor shall provide an average of forty (40) hours of service per week.
- 6) Case documentation shall be maintained in compliance with Short-Doyle Medi-Cal standards as described in DMH Notice 94-14, the Rehabilitation option including completion of the Physician's Initial Note, Mental Health Services' Medication Consent Forms, and progress and prescribing notes. Charts shall be subject to annual medication monitoring review.

e. Adult Residential Facility Services (Suites)

- 1) Program is designed to serve clients who are able to leave the locked setting, yet require the structure of a facility like Cordilleras Center.
- 2) Clients may be referred from the general MHRC population. Admissions may also be referred directly from the community, upon the mutual agreement of Contractor and County.
- 3) To gain greater independence, clients shall be encouraged to participate in community activities. Contractor shall provide transportation and support to assist residential clients in attending community activities when appropriate.
- 4) Contractor will provide Admissions Coordinator to provide intake and discharge coordination.
- 5) Contractor shall initiate usage of the SAMHSA Recovery Tool Kit.
- 6) Contractor shall provide the following supplemental services and mental health services:
 - a) Supplemental Services
 - i. Transportation and support to clients to attend community reintegration activities.
 - ii. Medication management services

- iii. Coordination of medical appointments, including transportation
- iv. Development of a personal support system in the community
- v. Practicing social skills
- vi. Planning and implementing leisure activities, including the use of community resources
- vii. Learning basic living skills, including:
 - o meal preparation
 - o shopping
 - o housekeeping
 - o personal hygiene
 - o recreation
 - o physical fitness
 - o use of public transportation
 - o money management
 - o use of community resources

b) Mental health services:

- i. Service coordination, including case management services
- ii. Crisis intervention services
- iii. A.M. and P.M. Resident Community Meetings, which may address the following topics:
 - o recovery
 - o weekly goals
- iv. Contractor shall provide documentation in compliance with Short-Doyle Medi-Cal requirements.
- v. Completion of Behavioral Protocols & Chain Analysis
- vi. Pre-vocational Counseling
- vii. Securing long-term community housing

7) Willow Suites

The Willow Suites is a step-up program within the Suites for clients who have been unsuccessful in other residential care settings due to high level of psychiatric acuity, presence of impulsive behaviors (typically due to Axis II conditions), lack of independent living skills and support, and/or the presence of a complex behavioral disorder. The program assists clients in acquiring and applying interpersonal and community living skills and developing personal community support systems in order to minimize the risk of hospitalization and enhance the clients' ability to live in the community. On-site services shall include comprehensive case management services, comprehensive psychopharmacological services as needed, and Dialectical Behavioral Therapy.

- a) Staff shall be formally trained in, and shall provide dialectical behavior therapy (DBT) interventions to maximize positive outcomes. Staff shall conduct weekly DBT skills acquisition groups and skills practice groups. Program clients will receive individual therapy and participate in the DBT Skills Group at the South County Mental Health Center. Program staff will work with County Mental Health staff to coordinate DBT services.
- b) A minimum of 20% of the clients in the program will be diagnosed with AXIS II.

8) Peer Counseling Case Management

Contractor shall provide part-time peer counselor case management services at County contracted board and care facilities countywide. The peer counselor shall work with clients who have been discharged from Cordilleras to maintain placement in the least restrictive environment. The peer counselor shall work in consultation with the County Resource Management team.

9) WRAP Planning

Contractor shall provide WRAP planning services for clients.

10) Reporting

Contractor shall report the following data to County:

- a) The total number of hospital days for clients annually; and
- b) The total number of days of employment for clients annually.
- c) The total number of days of homelessness for program clients annually.

f. Physician Services

Contractor shall provide licensed, qualified psychiatrists to provide psychiatry services. The staff psychiatry responsibilities will include:

- a) Case Documentation (all services).
Case documentation shall be maintained in compliance with California State Department of Mental Health guidelines and regulations for the Medi-Cal program, and in accordance with the Mental Health Services Documentation Manual. Documentation shall include completion of the Physician's Initial Note, Mental Health Services' Medication Consent Forms, and progress and prescribing notes. Charts shall be subject to annual medication monitoring review.
- b) Adequate coverage in the provision of psychiatric services for facility clients. (MHRC only.)
- c) Provision of court testimony. (MHRC only.)
- d) Scheduled coverage five (5) days per week (Monday through Friday) in such a format to allow admissions and discharges to be made five (5) days per week. (MHRC only.)

5. MHRC Improvements

Contractor shall make improvements to MHRC client living spaces to include the exterior patio, adjacent day room and bathroom during FY 2006-07. Contractor shall also provide evaporative coolers to air condition the living spaces. Such improvements shall be subject to the approval of the Director of Mental Health Services or her designee, and are subject to approval by the County Department of Public Works. All improvements shall become the property of the County per Paragraphs 7.2 and 7.3 of Exhibit C ("License").

III. Goals and Objectives

A. Mental Health Services

1. MHRC

Goal. To develop new skills and supports and decrease maladaptive behaviors enabling clients to live in a less restrictive, more independent residential environment.

Objective: A minimum of eighty percent (80%) of clients who respond to the MHSIP will indicate that they "strongly agree" or "agree" with the statement "I do better in social situations."

Objective: A minimum of eighty percent (80%) of clients who respond to the MHSIP will indicate that they "strongly agree" or "agree" with the statement "I am better able to deal with crisis."

Objective: A minimum of eighty percent (80%) of clients who respond to the MHSIP will indicate that they "strongly agree" or "agree" with the statement "I am getting along better with my family."

Contractor to provide MHSIP response data.

Goal: To minimize client seclusion

Objective: Client seclusion rate shall be less than 1.99 days per 1000 bed days.

Contractor to provide data.

Goal: To enhance client satisfaction with services received

Objective: A minimum of ninety percent (90%) of clients who complete a satisfaction survey will be satisfied with the program. A satisfaction survey will be administered on a voluntary basis at discharge.

Contractor to provide data.

Objective: A minimum of seventy-five percent (75%) of clients shall report that Contractor staff are sensitive to cultural and ethnic background of client.

Contractor to provide data.

Goal: Increase flow of client admissions and discharges in the acute/sub acute service system.

Objective: 132 admissions will be made per contract year.

Contractor to provide data.

Objective: Community discharges will increase to 89 during FY 2005-06.

Objective: Community discharges will be maintained at 89 during FY 2006-07.

Contractor to provide data.

Hospitalizations

Goal: To increase or maintain the probability of clients remaining in the current or a lower level of care and out of the hospital.

Objective: No more than fifteen percent (15%) of clients shall be hospitalized

Contractor to provide data.

Note: Contractor shall establish baseline data for the contract year in order to set realistic outcomes for subsequent contract years.

2. Adult Residential Facility

Goal: To develop new skills and supports and decrease maladaptive behaviors enabling clients to live in a less restrictive, more independent residential environment.

Objective: A minimum of eighty percent (80%) of clients who respond to the MHSIP will indicate that they "strongly agree" or "agree" with the statement "I do better in social situations."

Objective: A minimum of eighty percent (80%) of clients who respond to the MHSIP will indicate that they "strongly agree" or "agree" with the statement "I am better able to deal with crisis."

Objective: A minimum of eighty percent (80%) of clients who respond to the MHSIP will indicate that they "strongly agree" or "agree" with the statement "I am getting along better with my family."

Contractor to provide MHSIP response data.

Objective: At least ten (10) clients will have a completed WRAP Plan within six (6) months of admission.

Contractor to provide data.

Goal: To enhance client satisfaction with services received

Objective: A minimum of ninety percent (90%) of clients who complete a satisfaction survey will be satisfied with the program. A satisfaction survey will be administered on a voluntary basis at discharge.

Contractor to provide data.

Objective: A minimum of seventy-five percent (75%) of clients shall report that Contractor staff are sensitive to cultural and ethnic background of client.

Contractor to provide data.

Hospitalizations

Goal: To increase or maintain the probability of clients remaining in the community and out of the hospital.

Objective: No more than fifteen percent (15%) of clients shall be hospitalized

Contractor to provide data.

Note: Contractor shall establish baseline data for the contract year in order to set realistic outcomes for subsequent contract years.

Goal: To minimize inappropriate or unnecessary acute hospitalization.

Objective: Program clients will have no more than a total of 4 Psychiatric Emergency Services visits per month.

Contractor to provide data.

Homelessness

Goal: To increase or maintain the probability of clients remaining in community housing and not becoming homeless.

Objective: No more than five percent (5%) of clients shall become homeless.

Contractor to provide data.

Employment

Goal: To increase or maintain the probability of clients working in paid or unpaid positions, or actively seeking employment.

Objective: There shall be an increase of at least five percent (5%) in the number of clients who are working in paid or unpaid positions, or actively seeking employment.

Contractor to provide data.

Note: Contractor shall establish baseline data for the contract year in order to set realistic outcomes for subsequent contract years.

B. Public Health

III. Administrative Requirements (for all service components)

A. Paragraph 15 of the Agreement and Exhibit B, Section III.O.4. notwithstanding, Contractor shall maintain medical records required by the California Code of Regulations. Notwithstanding the foregoing, Contractor shall maintain beneficiary medical and/or clinical records for a period of seven (7) years, except that the records of persons under age eighteen (18) at the time of treatment shall be maintained: a) until one (1) year beyond the person's eighteenth (18th) birthday or b) for a period of seven (7) years beyond the date of discharge, whichever is later.

B. Administering Satisfaction Surveys

Contractor agrees to administer/utilize any and all survey instruments as directed by the County Mental Health Services Division, including outcomes and satisfaction measurement instruments.

C. Cultural Competency

All program staff shall receive at least one (1) in-service training per year on some aspect of providing culturally and linguistically appropriate services. At least once per year and upon request, Contractor shall provide County with a schedule of in-service training(s) and a list of participants at each such training;

Contractor shall use good faith efforts to translate health-related materials in a culturally and linguistically appropriate manner. At least once per year and upon request, Contractor shall provide to County copies of Contractor's health-related materials in English and as translated; and

Contractor shall use good faith efforts to hire clinical staff members who can communicate with clients in a culturally and linguistically appropriate manner. At least once per year and upon request, Contractor shall submit to County the cultural composition and linguistic fluencies of Contractor's staff.

- D. Contractor shall submit a copy of any licensing report issued by a licensing agency to County Mental Health Division Adult Services Deputy Director within 10 business days of Contractor's receipt of any such licensing report.
- E. Contractor shall provide all pertinent documentation required for federal Medi-Cal reimbursement (including initial and quarterly notices, assessment and service plans, and progress notes).
- F. Contractor shall maintain certification through San Mateo County to provide Short-Doyle Medi-Cal reimbursable services.
- G. Contractor may not employ any persons deemed an Ineligible Person by the Office of the Inspector General in the provision of services for the County through this agreement. Any employee(s) of contractor determined to be an Ineligible Person will be removed from responsibility for, or involvement with County clients or operations. An "Ineligible Person" is an individual who (1) is currently excluded, suspended, debarred or otherwise ineligible to participate in Federal health care programs, or (2) has been convicted of a criminal offense related to the provision of health care items or services and has not been reinstated in the Federal health care programs after a period of exclusion, suspension, debarment or ineligibility. Ineligibility may be verified by checking: www.Exclusions.OIG.HHS.Gov.
- H. Advance Directives
- Contractor will comply with County policies and procedures relating to advance directives.
- I. Beneficiary Rights
- Contractor will comply with County policies and procedures relating to beneficiary's rights and responsibilities.
- J. Physician Incentive Plans
- Contractor shall obtain approval from County prior to implementing a Physician Incentive Plan as described by Title 42, CFR, Section 438.6(h). The County will submit the Physician Incentive Plan to the State for approval. The State shall approve the Contractor's request for a Physician Incentive Plan only if the proposed Physician Plan complies with all applicable federal and state regulations.
- K. Availability and Accessibility of Service

Contractor shall offer hours of operation that are no less than the hours of operation offered to commercial enrollees, if the Contractor also serves enrollees of a commercial plan, or that are comparable to the hours the Contractor makes available for Medi-Cal services that are not covered by the County or another Mental Health Plan, if the Contractor serves only Medi-Cal clients.

L. Compliance Plan and Code of Conduct

Contractor shall read and be knowledgeable of the compliance principles contained in the Mental Health Compliance Plan and Code of Conduct. In addition, Contractor shall assure that Contractor's workforce is aware of compliance mandates, and are informed of the existence and how to use the Compliance Improvement Hotline Telephone Number (650) 573-2695.

M. Beneficiary Brochure and Provider Lists

Contractor agrees to provide Medi-Cal clients who are new to the Mental Health System with a brochure (an original of which shall be provided by County) when a client first receives a specialty mental health service from the Contractor. Such brochure shall contain a description of County services available; a description of the process for obtaining County services, including the County's state-wide toll-free telephone number; a list of the County's providers; a description of the County's beneficiary problem resolution process, including the complaint resolution and grievance processes; and a description of the beneficiary's right to request a fair hearing at any time before, during or within 90 days after the completion of the beneficiary problem resolution problem.

TELECARE CORPORATION: 2005 – 2007
Exhibit "B"

In consideration of the services provided by Contractor in Exhibit "A", County shall pay Contractor based on the following fee schedule:

I. Total Maximum Obligation

Notwithstanding the method of payment set forth herein, in no event shall County pay or be obligated to pay Contractor more than the sum of exceed THIRTEEN MILLION SEVEN HUNDRED NINE THOUSAND SIX HUNDRED EIGHTY-SIX DOLLARS (\$13,709,686) for services provided under this Agreement for the period of July 1, 2005, through June 30, 2007. This amount includes payment for the service components described more fully below.

II. Payments - Care for Patients in the State/Local Program for Regional Civil Detention of Persistently Non-Adherent Tuberculosis Patients

A. Payment for services as described in Paragraph I. of Exhibit A shall be contingent upon receipt of funding designated for these services from the California Department of Health Services, subject to the program terms and conditions as established by California Department of Health Services, Tuberculosis Control Branch. It is the intention of both parties to amend this agreement as necessary to maintain compliance with these same terms and conditions.

B. Contractor agrees to make all efforts to bill any eligible third-party payor, including Medi-Cal and Medicare, for these services. The payments made under the terms of this Agreement are designed to assure that there is a fair minimum payment made to the Contractor for services.

C. Room and Board:

1. County shall pay for the one bed reserved for the State/Local Program for Regional Civil Detention of Persistently Non-Adherent Tuberculosis Patients.

2. Quarterly invoices for the bed will be sent to: Public Health Director, San Mateo County Health Department, 225 37th Avenue, Disease Control & Prevention, Elizabeth Schulz, San Mateo CA, 94403.

3. If the number of bed days exceeds 365, Contractor shall bill the sending local health jurisdiction ("LHJ") (including San Mateo County if the TB detention client is a San Mateo County resident) on a quarterly basis at the rate of \$214/day.
 4. In the event that a TB client requires services not covered in Exhibit A, the need for these services must be discussed with and approved in writing by the sending LHJ before such services are rendered. If such services are rendered and the payment by a third party insurer, less deductibles and co-payments, for these services falls below the Medi-Cal rate for such services, the Contractor shall bill and be reimbursed by the sending LHJ. CDHS TBCB may reimburse the sending LHJ up to \$75/per day for such services.
- D. Total Room and Board payments for the one (1) bed for three hundred and six-five days (365) reserved for the State/Local Program for Regional Civil Detention of Persistently Non-Adherent Tuberculosis Patients services for the Regional Civil Detention of Persistently Non-Adherent Tuberculosis Patients Program shall not exceed SEVENTY-EIGHT THOUSAND ONE HUNDRED AND TEN DOLLARS (\$78,110) for the period of July 1, 2005 through June 30, 2006.
- E. Total Room and Board payments for the one (1) bed for three hundred and sixty-five days (365) reserved for the State/Local Program for Regional Civil Detention of Persistently Non-Adherent Tuberculosis Patients services for the Regional Civil Detention of Persistently Non-Adherent Tuberculosis Patients Program shall not exceed SEVENTY-EIGHT THOUSAND ONE HUNDRED AND TEN DOLLARS (\$78,110) for the period of July 1, 2006 through June 30, 2007.
- F. Notwithstanding the method of payment set forth herein, in no event shall County pay or be obligated to pay Contractor more than the sum of ONE HUNDRED AND FIFTY-SIX THOUSAND, TWO HUNDRED AND TWENTY DOLLARS (\$156,220) for services in the State/Local Program for Regional Civil Detention of Persistently Non-Adherent Tuberculosis Patients for usage of one (1) bed as described in Paragraph I of Exhibit A of this agreement, for the period of July 1, 2005, through June 30, 2007.

- G. The total payments from all sources for services excluding Room and Board and Directly Observed Therapy (DOT) for one (1) San Mateo County client shall not exceed TWENTY-SEVEN THOUSAND THREE HUNDRED SEVENTY-FIVE DOLLARS (\$27,375) for the period of July 1, 2005, through June 30, 2006.
- H. The total payments from all sources for services excluding Room and Board and Directly Observed Therapy (DOT) for one (1) San Mateo County client shall not exceed TWENTY-SEVEN THOUSAND THREE HUNDRED SEVENTY-FIVE DOLLARS (\$27,375) for the period of July 1, 2006, through June 30, 2007.
- I. The total payments from all sources for services excluding Room and Board and Directly Observed Therapy (DOT) for one (1) San Mateo County client shall not exceed FIFTY-FOUR THOUSAND SEVEN HUNDRED FIFTY DOLLARS (\$54,750) for the period of July 1, 2005, through June 30, 2007.
- J. Notwithstanding the method of payment set forth herein, in no event shall County pay or be obligated to pay Contractor more than the sum of TWO HUNDRED TEN THOUSAND NINE HUNDRED SEVENTY DOLLARS (\$210,970) for services in the State/Local Program for Regional Civil Detention of Persistently Non-Adherent Tuberculosis Patients for usage of one (1) bed as described in Paragraph I of Exhibit A of this agreement, for the period of July 1, 2005, through June 30, 2007.

III. Payments – Mental Health Services

In full consideration of the mental health treatment services provided by Contractor pursuant to this Agreement it is hereby agreed by the parties hereto that County shall pay Contractor in the manner described below, except that any and all such payments shall be subject to the conditions contained in this Agreement.

A. Maximum Obligation

- 1. Notwithstanding the method of payment set forth herein, in no event shall County pay or be obligated to pay Contractor more than the sum of THIRTEEN MILLION FOUR HUNDRED NINETY-EIGHT THOUSAND SEVEN HUNDRED SIXTEEN DOLLARS (\$13,498,716) for services provided at Cordilleras Mental Health Center for the period of July 1, 2005 through June 30, 2007.

County shall be obligated to pay a negotiated net amount for services described in Exhibit A, Paragraph II, according to the following schedule:

Period	MHRC Services	Adult Residential Facility Services:	Program Total
2005-06	\$ 5,047,251	\$1,537,880	\$ 6,585,131
2006-07	\$ 5,329,569	\$1,584,016	\$ 6,913,585
TOTAL	\$10,376,820	\$3,121,896	\$13,498,716

The Program Total for FY 2006-07 includes FORTY-ONE THOUSAND FOUR HUNDRED ONE DOLLARS (\$41,401) in one-time costs for MHRC improvements as described in Paragraph II.B.5. of Exhibit A.

2. Psychiatric Services

County shall be obligated to provide funding for psychiatric services described in Exhibit A, Paragraph II.B.4.e. (Program Medical Director) and Exhibit A, Paragraph II.B.4.f. (Physician Services), (collectively "Psychiatric Services"). Funding for Psychiatric Services shall be subject to the maximum amounts established in the table below, however such funding is included in the Maximum Obligation described in Exhibit B, Paragraph III.A.1.a. (above), and County shall not pay nor be obligated to pay additionally for such Psychiatric Services.

Period	Maximum Amount
2005-06	\$195,000
2006-07	\$200,768
Total	\$395,768

3. Gross Operating Income

The Gross Operating Income described in Exhibit D (Budget) shall not exceed the amounts established in the table below without the express written consent of the Director of Health. Funding for such Gross Operating Income is included in the Maximum Obligation set forth in Exhibit B, Paragraph III.A.1.a. (above), and County shall not pay nor be obligated to pay additionally for such Gross Operating Income.

Period	Maximum Amount
--------	----------------

2005-06	\$385,955
2006-07	\$402,617
Total	\$788,572

4. Payment for residential treatment services provided at Cordilleras is based on net costs. Contractor may bill and retain any Supplemental Security Income (SSI) or State Supplemental Payment (SSP) income payable by clients for room and board costs.

5. The daily rates for MHRC beds shall be TWO HUNDRED TWENTY-FIVE DOLLARS AND EIGHT CENTS (\$225.08) for the period of July 1, 2005 through June 30, 2006, and TWO HUNDRED THIRTY-FIVE DOLLARS AND SIXTY-SIX CENTS (\$235.66) for the period of July 1, 2006 through June 30, 2007.

B. Payments for the period July 1, 2005 through June 30, 2006

Unless otherwise authorized by the Director of Health or her designee, the rate of payment by County to Contractor for mental health services shall be one-twelfth (1/12) of the maximum obligation per month for the period July 1, 2005 through June 30, 2006.

C. Payments for the period July 1, 2006 through June 30, 2007

1. Unless otherwise authorized by the Director of Health or her designee, the rate of payment by County to Contractor for mental health services shall be one-twelfth (1/12) of the difference of the maximum obligation less the one-time amount in Section III.C.2 below per month for the period July 1, 2006 through June 30, 2007. These monthly payments shall be in the amount of FIVE HUNDRED SEVENTY-TWO THOUSAND SIX HUNDRED EIGHTY-TWO DOLLARS (\$572,682).

2. Payment of the one-time amount of FORTY-ONE THOUSAND FOUR HUNDRED ONE DOLLARS (\$41,401) for MHRC improvements and evaporative coolers as described in Paragraph II.B.5. of Exhibit A shall be made following receipt of invoice from Contractor.

D. Budget modifications may be approved by the Director of Health or her designee, subject to the maximum obligation set forth in Paragraph 3 of the Agreement and the Gross Operating Income Limitations.

- E. The Director of Health is authorized to execute subsequent amendments and minor modifications not to exceed \$25,000 in aggregate and to make minor changes in the type of services and activities provided under the Agreement.
- F. Contractor shall bill County on or before the tenth (10th) working day of each month for the current month. All claims shall clearly reflect and in reasonable detail give information regarding the services, as described in Exhibit A, for which claim is made.

Payment of the one-time amount of FORTY-ONE THOUSAND FOUR HUNDRED ONE DOLLARS (\$41,401) for FY 2006-07 shall be made following receipt of invoice from Contractor.

- G. Contractor shall provide a monthly written summary of services provided, including caseload, units of service, and vacancy rates per service. This summary shall be provided on the services reporting form provided by the County, and shall accompany the monthly invoice.
- H. In the event that funds provided under this Agreement are expended prior to the end of the contract period, Contractor shall provide ongoing services under the terms of this Agreement through the end of the contract period without further payment from County.
- I. Contractor shall submit to County a year-end cost report no later than ninety (90) days after the expiration date of each contract year for the term of this Agreement. This report shall be in accordance with the principles and format outlined in the Cost Reporting/Data Collection (CR/DC) Manual. Contractor shall annually have its books of accounts audited by a Certified Public Accountant and a copy of said audit report shall be submitted to County along with the Cost Report.
- J. If the annual Cost Report provided to County reveals that total payments to contractor, less the Gross Operating Income as established in Paragraph III.A.3. of this Exhibit B, exceed the total allowable costs for all of the services rendered by Contractor to eligible clients during the reporting period, a single payment in the account of the contract savings shall be made to County by Contractor, unless otherwise authorized by the Director of Health or her designee.

- K. In the event this Agreement is terminated prior to June 30, 2007, Contractor shall be paid on a prorated basis for only that portion of the contract term during which Contractor provided services pursuant to this Agreement. Such billing shall be subject to the approval of the Director of Mental Health Services.
- L. In the event Contractor claims or receives payment from County for a service, reimbursement for which is later disallowed by County or the State of California or the United States Government, then Contractor shall promptly refund the disallowed amount to County upon request, or, at its option, County may offset the amount disallowed from any payment due or become due to Contractor under this Agreement or any other agreement.
- M. Contractor may rollover unspent funding from the County according to the following procedures.
1. Contractor shall submit a summary calculation of any savings ninety (90) days after end of the fiscal year. The summary calculation will be a separate report from the year-end cost report. With the summary calculation Contractor shall return the amount of the savings.
 2. At the time of the submission of the summary calculation Contractor may request to rollover some or all of any savings. The request must be made in writing to the Director of Mental Health Services or her designee. The request shall identify specifically how the rollover funds will be spent, including a detailed budget. Savings shall not be spent until Contractor receives a written approval of the request. Approved rollover funds shall be spent only for the succeeding fiscal year and only for the specific purpose(s) requested and approved.
 3. Contractor shall submit an accounting report of the rollover savings. This report shall include copies of the detailed expenses. The report is due ninety (90) days after the specific purpose has been completed, or ninety (90) days after the end of the fiscal year, whichever comes first. Any unspent rollover funds shall be returned to the County with the accounting report.

4. If the specific purpose is not yet complete as of the end of the succeeding fiscal year, contractor may request to rollover the unspent funds to the succeeding second fiscal year by submitting a written request with the accounting report. The unspent rollover funds shall not be spent until the request is approved by the Director of Mental Health Services or her designee.
5. A final accounting of the rollover funds shall be submitted ninety (90) days after the specific purpose has been completed, or ninety (90) days after the end of the second fiscal year, whichever comes first. Any unspent rollover funds shall be returned to the County with the accounting report.

N. Beneficiary Billing

Contractor shall not submit a claim to, demand or otherwise collect reimbursement from, the beneficiary or persons acting on behalf of the beneficiary for any specialty mental health or related administrative services provided under this contract except to collect other health insurance coverage, share of cost and co-payments. The Contractor shall not hold beneficiaries liable for debts in the event that the County becomes insolvent, for costs of covered services for which the State does not pay the County, for costs of covered services for which the State or the County does not pay the Contractor, for costs of covered services provided under this or other contracts, referral or other arrangement rather than from the County, or for payment of subsequent screening and treatment needed to diagnose the specific condition of or stabilize a beneficiary with an emergency psychiatric condition.

O. Election of Third Party Billing Process

Contractor shall select an option for participating in serial billing of third-party payors for services provided through this Agreement through the completion of Attachment C – Election of Third Party Billing Process. The completed Attachment C shall be returned to the County with the signed Agreement. Based upon the option selected by the Contractor the appropriate following language shall be in effect for this Agreement.

1. Option One

- a. Contractor shall bill all eligible third-party payors financially responsible for a beneficiary's health care services that Contractor provides through this Agreement. Within ten (10) days of the end of each month, Contractor shall provide to County copies of the Explanation of Benefits or other remittance advice for every third-party payment and/or denial of such third-party payments for services provided by Contractor during such month. The amount of any such third-party payment shall be deducted from the total actual costs for all services rendered by Contractor as reflected on the Cost Report as defined in Paragraph M. of this Exhibit B. County accepts no financial responsibility for services provided to beneficiaries where there is a responsible third-party payor, and to the extent that County inadvertently makes payments to Contractor for such services rendered, County shall be entitled to recoup such reimbursement, through the Cost Report reconciliation.
- b. Contractor shall provide a copy of each completed Payor Financial Form (Attachment D) and subsequent annual updates for all clients who receive services through this Agreement. For clients who begin to receive services during the term of this Agreement, completed Payor Financial Forms shall be provided to the County with client registration forms. For clients who were receiving services prior to the start date of this Agreement and who continue to receive services through this Agreement, completed Payor Financial Forms are due within ten (10) days of the end of the first month of the Agreement.

2. Option Two

- a. Contractor shall provide information to County so that County may bill applicable/eligible other third-parties for services provided by Contractor through this Agreement. County shall retain these revenues and shall not offset these revenues against payments to Contractor.

- b. Contractor shall provide a copy of the completed Payor Financial Form (Attachment D) and subsequent annual updates for all clients who receive services through this agreement. For clients who begin to receive services during the term of this Agreement, completed Payor Financial Forms shall be provided to the County with client registration forms. For clients who were receiving services prior to the start date of this Agreement and who continue to receive services through this Agreement, completed Payor Financial Forms are due within ten (10) days of the end of the first month of the Agreement.

P. County May Withhold Payment

Contractor shall provide all pertinent documentation required for federal Medi-Cal reimbursement (including initial and quarterly notices, assessment and service plans, and progress notes). The County may withhold payment for any and all services for which the required documentation is not provided, or if the documentation provided does not meet professional standards as determined by the Quality Improvement Manager of the San Mateo County Mental Health Services Division of the Health Department.

Q. Claims Certification and Program Integrity

1. Contractor shall comply with all state and federal statutory and regulatory requirements for certification of claims, including Title 42, Code of Federal Regulations (CFR) Part 438, Sections 438.604, 438.606, and, as effective August 13, 2003, Section 438.608, as published in the June 14, 2002 Federal Register (Vol. 67, No. 115, Page 41112), which are hereby incorporated by reference.
2. Anytime Contractor submits a claim to the County for reimbursement for services provided under Exhibit A of this Agreement, Contractor shall certify by signature that the claim is true and accurate by stating the claim is submitted under the penalty of perjury under the laws of the State of California.

The claim must include the following language and signature line at the bottom of the form(s) and/or cover letter used to report the claim.

“Under the penalty of perjury under the laws of the State of California, I hereby certify that the above claim for services complies with all terms and conditions referenced in the Agreement with San Mateo County.

Executed at _____ California, on _____,
200_

Signed _____ Title _____ Agency
_____”

3. The certification shall attest to the following for each beneficiary with services included in the claim:
 - a. An assessment of the beneficiary was conducted in compliance with the requirements established in this Agreement;
 - b. The beneficiary was eligible to receive services described in Exhibit A at the time the services were provided to the beneficiary;
 - c. The services included in the claim were actually provided to the beneficiary;
 - d. Medical necessity was established for the beneficiary as defined under California Code of Regulations, Title 9, Division 1, Chapter 11, for the service or services provided, for the timeframe in which the services were provided;
 - e. A client plan was developed and maintained for the beneficiary that met all client plan requirements established in this Agreement;
 - f. For each beneficiary with supplemental specialty mental health services included in the claim, all requirements for Contractor payment authorization for supplemental specialty mental health services were met, and any reviews for such service or services were conducted prior to the initial authorization and any re-authorization periods as established in this Agreement; and
 - g. Services are offered and provided without discrimination based on race, religion, color, national or ethnic origin, sex, age, or physical or mental disability.

4. Except as provided in Exhibit A, Paragraph III.A. relative to medical records, Contractor agrees to keep for a minimum period of three years from the date of service a printed representation of all records which are necessary to disclose fully the extent of services furnished to the client. Contractor agrees to furnish these records and any information regarding payments claimed for providing the services, on request, within the State of California, to the California Department of Health Services; the Medi-Cal Fraud Unit; California Department of Mental Health; California Department of Justice; Office of the State Controller; U.S. Department of Health and Human Services, Managed Risk Medical Insurance Board or their duly authorized representatives, and/or the County.

TELECARE CORPORATION
2006-2008
EXHIBIT D
BUDGET

6/13/2007

	Census	FY05-06	FY06-07	Increase	FY 06-07 Revised	Chg
Expenses						
Salaries		4,145,797	4,268,434	3.0%	4,268,434	-
Benefits		1,238,682	1,275,324	3.0%	1,325,324	50,000
Sub-total		5,384,480	5,543,758	0	5,593,758	50,000
Services and Supplies						
Psychiatrists		195,000	200,768	3.0%	200,768	-
Utilities (Gas, electricity)		179,153	184,453	3.0%	188,543	4,090
Other Services and Supplies		1,303,659	1,342,223	3.0%	1,372,388	30,165
Operating Income		385,955	397,372	3.0%	402,617	5,245
Total Operating Expense		7,448,247	7,668,574	0	7,758,074	89,500
One Time Cost of Evaporative Coolers		-	-		6,401	6,401
One Time Cost of Building Improvements		-	-		35,000	35,000
Total Expense		7,448,247	7,668,574		7,799,475	130,901
Revenues						
San Mateo						
MHRC	61.0	5,047,251	5,198,668	3.0%	5,267,267	68,598
Residential with Case Management	49.0	1,537,880	1,584,016	3.0%	1,604,918	20,902
One Time Expense Funding			-	-	41,401	41,401
Sub-total	110.00	6,585,131	6,782,684	0	6,913,585	130,901
VA	2.0	148,373	152,824	3.0%	152,824	
Santa Cruz	1.0	81,797	84,251	3.0%	84,251	
Sonoma	1.0	81,797	84,251	3.0%	84,251	
TB	1.0	105,485	105,485	0.0%	105,485	
SSI	-	447,125	460,539	3.0%	460,539	-
Sub-total	5.00	864,577	887,349	0	887,349	-
Total	115.00	7,449,707	7,670,034	0	7,800,935	130,901
Cost per Day						
MHRC	66.00	225.08	231.70	2.9%	235.66	
Residential Care w/ Case Management	49.00	110.99	114.32	3.0%	116.27	
	115.00	176.68	181.90	3.0%	185.01	
Rehab Activity Leader						
Salary for .4 RAL						
Benefits						
Overhead						
Total						
Agreement Maximum		6,690,616	6,888,169	3.0%	7,019,070	130,901

CONTRACT INSURANCE APPROVAL

DATE: March 14, 2007

TO: Faiza Steele FAX: 363-4610 PONY: HRD 163

FROM: John Klyver

PHONE: 573-2641 FAX: 573-2841 PONY: MLH 322

The following is to be completed by the department before submission to Risk Management:

CONTRACTOR NAME: Telecare - Cordilleras

DOES THE CONTRACTOR TRAVEL AS A PART OF THE CONTRACT SERVICES? Yes

NUMBER OF EMPLOYEES WORKING FOR CONTRACTOR: +15

DUTIES TO BE PERFORMED BY CONTRACTOR FOR COUNTY: See attached.

The following will be completed by Risk Management:

INSURANCE COVERAGE:	Amount	Approve	Waive	Modify
Comprehensive General Liability	\$1,000,000	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Motor Vehicle Liability	\$1,000,000	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Professional Liability	\$1,000,000	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Workers' Compensation	Statutory	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS/COMMENTS:

Faiza Steele
 Faiza Steele
 Risk Management Analyst

3/14/07
 Date

MARSH

CERTIFICATE OF INSURANCE

CERTIFICATE NUMBER
SEA-000921712-12

PRODUCER
MARSH RISK & INSURANCE SERVICES
P. O. BOX 193880
SAN FRANCISCO, CA 94119-3880
CALIFORNIA LICENSE NO. 0437153

Attn: 415-743-8000

072624-CAS--2007 GLALP WC CA

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER OTHER THAN THOSE PROVIDED IN THE POLICY. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES DESCRIBED HEREIN.

COMPANIES AFFORDING COVERAGE

COMPANY
A LEXINGTON INSURANCE COMPANY

COMPANY
B ZURICH AMERICAN INSURANCE COMPANY

COMPANY
C AMERICAN ZURICH INSURANCE CO.

COMPANY
D

INSURED
TELECARE CORPORATION
1080 MARINA VILLAGE PARKWAY, SUITE 100
ALAMEDA, CA 94501

COVERAGES 8

This certificate supersedes and replaces any previously issued certificate for the policy period noted below. THIS IS TO CERTIFY THAT POLICIES OF INSURANCE DESCRIBED HEREIN HAVE BEEN ISSUED TO THE INSURED NAMED HEREIN FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THE CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, CONDITIONS AND EXCLUSIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY	0314744	07/01/06	07/01/07	GENERAL AGGREGATE	\$ 3,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY	S.I.R. \$100,000			PRODUCTS - COMP/OP AGG	\$ 1,000,000
	<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				PERSONAL & ADV INJURY	\$ 1,000,000
	<input type="checkbox"/> OWNER'S & CONTRACTOR'S PROT				EACH OCCURRENCE	\$ 1,000,000
					FIRE DAMAGE (Any one fire)	\$ 50,000
					MED EXP (Any one person)	\$
B	AUTOMOBILE LIABILITY	BAP378473302	07/01/06	07/01/07	COMBINED SINGLE LIMIT	\$ 1,000,000
	<input checked="" type="checkbox"/> ANY AUTO				BODILY INJURY (Per person)	\$
	<input type="checkbox"/> ALL OWNED AUTOS				BODILY INJURY (Per accident)	\$
	<input type="checkbox"/> SCHEDULED AUTOS				PROPERTY DAMAGE	\$
	GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT	\$
	<input type="checkbox"/> ANY AUTO				OTHER THAN AUTO ONLY:	
					EACH ACCIDENT	\$
	EXCESS LIABILITY				AGGREGATE	\$
	<input type="checkbox"/> UMBRELLA FORM				EACH OCCURRENCE	\$
	<input type="checkbox"/> OTHER THAN UMBRELLA FORM				AGGREGATE	\$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	WC829852004	07/01/06	07/01/07	<input checked="" type="checkbox"/> WC STATUTORY LIMITS	<input type="checkbox"/> OTHER
	<input type="checkbox"/> THE PROPRIETOR/PARTNERS/EXECUTIVE OFFICERS ARE:	<input checked="" type="checkbox"/> INCL <input type="checkbox"/> EXCL			EL EACH ACCIDENT	\$ 1,000,000
					EL DISEASE-POLICY LIMIT	\$ 1,000,000
					EL DISEASE-EACH EMPLOYEE	\$ 1,000,000
A	PROFESSIONAL LIABILITY	0314744	07/01/06	07/01/07	AGGREGATE	3,000,000
	CLAIMS MADE	S.I.R. \$100,000			EACH OCCURRENCE	1,000,000

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

THIS CERTIFICATE OF INSURANCE PROVIDES EVIDENCE OF COVERAGE AS RESPECTS WORK PERFORMED BY OR FOR CORDILLERAS MENTAL HEALTH SERVICES, 200 EDMONDS ROAD, REDWOOD CITY, CA 94062.

CERTIFICATE HOLDER

COUNTY OF SAN MATEO
HEALTH SERVICES AGENCY
MENTAL HEALTH SERVICES DIVISION
225 - 37TH AVENUE
SAN MATEO, CA 94403

CANCELLATION

SHOULD ANY OF THE POLICIES DESCRIBED HEREIN BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE INSURER AFFORDING COVERAGE WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED HEREIN, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER AFFORDING COVERAGE, ITS AGENTS OR REPRESENTATIVES, OR THE ISSUER OF THIS CERTIFICATE.

MARSH USA INC.

BY: Ellen Redell Brown *ERedell*

MM1(3/02)

VALID AS OF: 06/30/06

**County of San Mateo
Contractor's Declaration Form**

I. CONTRACTOR INFORMATION

Contractor Name:	Telecare Corporation	Phone:	(510) 337-7950
Contact Person:	Marshall Langfeld	Fax:	(510) 337-7969
Address:	1080 Marina Village Pkwy.#100 Alameda, CA 94501		

II. EQUAL BENEFITS (check one or more boxes)

Contractors with contracts in excess of \$5,000 must treat spouses and domestic partners equally as to employee benefits.

- Contractor complies with the County's Equal Benefits Ordinance by:
 - offering equal benefits to employees with spouses and employees with domestic partners.
 - offering a cash equivalent payment to eligible employees in lieu of equal benefits.
- Contractor does not comply with the County's Equal Benefits Ordinance.
- Contractor is exempt from this requirement because:
 - Contractor has no employees, does not provide benefits to employees' spouses, or the contract is for \$5,000 or less.
 - Contractor is a party to a collective bargaining agreement that began on _____ (date) and expires on _____ (date), and intends to offer equal benefits when said agreement expires.

III. NON-DISCRIMINATION (check appropriate box)

- Finding(s) of discrimination have been issued against Contractor within the past year by the Equal Employment Opportunity Commission, Fair Employment and Housing Commission, or other investigative entity. Please see attached sheet of paper explaining the outcome(s) or remedy for the discrimination.
- No finding of discrimination has been issued in the past year against the Contractor by the Equal Employment Opportunity Commission, Fair Employment and Housing Commission, or any other entity.

IV. EMPLOYEE JURY SERVICE (check one or more boxes)

Contractors with original or amended contracts in excess of \$100,000 must have and adhere to a written policy that provides its employees living in San Mateo County up to five days regular pay for actual jury service in the County.

- Contractor complies with the County's Employee Jury Service Ordinance.
- Contractor does not comply with the County's Employee Jury Service Ordinance.
- Contractor is exempt from this requirement because:
 - the contract is for \$100,000 or less.
 - Contractor is a party to a collective bargaining agreement that began on _____ (date) and expires on _____ (date), and intends to comply when the collective bargaining agreement expires.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that I am authorized to bind this entity contractually.

Carol Caputo
Signature

3/22/07
Date

Carol Caputo
Name

VP HR
Title